

adm - 13.6

NOV 13 1972

DDI-3177-92

ORD-6262-72

7 NOV 1972

MEMORANDUM FOR: Assistant Deputy Director for Science
and Technology

SUBJECT: Companies' Internal Research and
Development Programs

REFERENCE: Note to Don from Ray, 15 September

1. The suggestion contained in the referenced note that a more effective interface with contractors be developed to influence their IR&D programs certainly has merit. Many companies have from one to five percent of their research and development sales dollars available for internal research and development work. They try to expend these funds in research and development work directly related to the companies' long-term corporate goals. Insofar as the companies' goals and the Agency's goals can be made to coincide, both can benefit. We certainly should encourage companies to do research and development in which we are interested, at the same time being careful that we neither acquire an implied obligation to give them contracts later, establish the company in unwarranted IR&D positions, try to obtain a service at no cost for which we should rightly pay, nor induce a company to work on a problem which later proves to be trivial.

2. It would be most helpful, as suggested in the note, for the TCC panels to summarize in a suitable sterile form their estimates of the technical areas most deserving of attention in contractor IR&D programs. Ray's suggestion that a single point of contact act as a focal point for liaison with the companies on IR&D programs is good. That point of contact could review the

DD/S&T
FILE COPY

SUBJECT: Companies' Internal Research and Development Programs

programs and either work directly with the companies or assist in establishing good lines of communication between the company investigators and the Agency group or groups most directly concerned.

3. ORD would constitute an appropriate entity to serve that role. One of the principal aims in its reorganization was to strengthen its function in providing information on the state of intelligence-related technology to the other elements of the Agency using it. Keeping track of IR&D efforts and providing generalized guidance to them is consistent with that operation. This should work without difficulty in those cases where the approach is defocused and exploratory. Where close relations exist between TSD or Commo and the company in question, any efforts on our part to assume a new role would probably appear gratuitous. Nevertheless, ORD could probably ease into such a function which could develop with time. It would constitute a worthwhile effort without being so important that we couldn't back off where necessary.

[Redacted Signature]

25X1A

Sayre Stevens

Director of Research and Development